

**COMMITTEE ON GOVERNMENT REFORM**  
**TOM DAVIS, CHAIRMAN**



**MEDIA ADVISORY**

For Immediate Release  
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**Davis to Seek Answers to \$126 Million Question**

*How is the U.S. Handling International  
Assistance in the Wake of Hurricane Katrina?*

**What: Government Reform Committee Oversight Hearing,  
“Looking a Gift Horse in the Mouth:  
A Post-Katrina Review of International Disaster Assistance”**

**When: THURSDAY, APRIL 6, 2006, 10:00 A.M.**  
(Hearing follows Committee business meeting)

**Where: ROOM 2154, RAYBURN HOUSE OFFICE BUILDING**

**Background:** After Hurricane Katrina, the United States received an unprecedented amount of disaster aid from foreign nations. To date approximately \$126 million has been given by 36 foreign countries and international organizations for Hurricane Katrina relief efforts. An unknown amount of in-kind, or non-monetary, assistance has also been given to the U.S. by 43 foreign countries and international organizations.

Because the outpouring of donations from abroad was unprecedented, and because there was no established process for collecting and distributing this assistance, the Committee is concerned that these donations have not been used as effectively as they should have been.

For example:

- About \$66 million of the \$126 million donated has been allocated to the Federal Emergency Management Agency to assist with the long-term recovery of Gulf coast citizens. The remaining \$60 million is being held by the Department of State in a non-interest bearing account. Why is this money not earning interest?

- The federal government had difficulty accounting for in-kind assistance received. The ad-hoc procedures put in place after Katrina did not include policies to help ensure FEMA had oversight of donated commodities – such as food, water, and medical supplies – and to ensure that commodities were vetted through the State Department acceptance process. This resulted in incomplete knowledge of in-kind assistance received from foreign countries.
- It appears in-kind contributions were not always properly tracked to final destinations. In one case, this failure cost the U.S. government approximately \$80,000 in storage fees.

The purpose of this hearing is to understand what assistance the United States received in the aftermath of Hurricane Katrina and to examine the temporary procedures put in place for accepting and using foreign donations. The hearing will also review the authorities and processes by which decisions were made to accept and distribute these contributions.

It is possible more relief assistance will be given to the U.S. by foreign countries in the upcoming months, and as such, a clear process for handling donations must be established. By examining the decisions made thus far, this hearing will shed light on how the foreign assistance process should evolve.

**Witnesses:**

Davi M. D'Agostino, Director, Defense Capabilities and Management;  
U.S. Government Accountability Office

*accompanied by:*

McCoy Williams, Director, Financial Management and Assurance, GAO

Deborah McCarthy, Director, Hurricane Katrina Task Force Working Group,  
U.S. Department of State

Gregory C. Gottlieb, Acting Director, Office of U.S. Foreign Disaster Assistance, U.S.  
Agency for International Development

Casey Long, Acting Director, Office of International Affairs,  
Federal Emergency Management Agency

Hudson LaForce, Senior Counsel to the Secretary, U.S. Department of Education

Scott Rowell, Deputy Assistant Secretary for Homeland Security,  
U.S. Department of Defense

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